



PRESS RELEASE

Internal Revenue Service - Criminal Investigation Cincinnati Field Office *Special Agent in Charge Kathy A. Enstrom*

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OWNER AND BOOKKEEPER FOR GEOCORE DRILLING, INC PLEAD GUILTY TO IRS CHARGES

COLUMBUS, OHIO -- Chad Vincent Mullins, 43, of Cardington, Ohio and Julia K. Mullins, 43, of Cardington, Ohio each pleaded guilty to Internal Revenue Service (IRS) violations involving their personal income tax returns and the corporate income tax returns of Geocore Drilling, Inc. ("Geocore"). Chad Mullins pleaded guilty to one count of impeding and obstructing the lawful functions of the IRS and Julia Mullins pleaded guilty to one count of causing a false income tax form to be delivered to the IRS. Chad Mullins faces a maximum of 5 years in prison and a \$250,000 fine and Julia Mullins faces a maximum of one year in prison and a \$100,000 fine.

Carter M. Stewart, United States Attorney for the Southern District of Ohio and Kathy A. Enstrom, Special Agent in Charge, Internal Revenue Service Criminal Investigation, Cincinnati Field Office announced the guilty pleas entered before U.S. District Judge Gregory L. Frost.

According to court documents, Chad Mullins is the owner and operator of Geocore, a seismic drilling company also located in Cardington, Ohio. His wife, Julia Mullins, kept and maintained the financial books and records of Geocore and was the primary point of contact with the income tax return preparers relative to the corporate and individual income tax returns.

For tax years 2006 through 2010, Chad Mullins and his wife conspired to fraudulently conceal income earned through Geocore by falsely claiming business expenses for funds which were diverted for their personal use. The false business expenses claimed on the corporate income tax returns reduced the taxable income of Geocore and the concealed funds were diverted to Chad Mullins and his wife. The diverted funds were not reported on their jointly filed individual income tax returns, therefore, fraudulently decreasing the personal income tax liabilities of the Mullins' and the corporate income tax liabilities of Geocore.

For tax years 2006 through 2010, Julia Mullins filed or assisted in the filing of Geocore's corporate income tax returns and her jointly filed individual income tax returns with the IRS, knowing these returns were fraudulent.

Specifically, Julia Mullins signed and filed Geocore's 2008 corporate income tax return with the IRS, which she knew substantially over-reported the corporation's business deductions.

Chad Mullins claimed over \$650,000 in false business expenses. In reality, the funds were used for personal expenditures such as a \$102,850 Walt Disney timeshare, a \$65,000 pleasure boat, a \$19,000 South African safari, as well as numerous family vacations to Europe, Mexico, Hawaii, voyages on cruise ships, and various resorts in the Rocky Mountains.

The combined total of tax due and owing for tax years 2006 through 2010 is \$280,798.68.

“The license to run a business is not a license to avoid paying taxes,” said Kathy A. Enstrom, Special Agent in Charge, IRS Criminal Investigation, Cincinnati Field Office. “The Mullins’ misconduct of having their business pay their purely personal expenses cheated all Americans.”

They were released on bond pending sentencing. A date for sentencing has not been set.

These cases are being prosecuted by Assistant United States Attorney Daniel A. Brown and were investigated by special agents of IRS-Criminal Investigation.

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